

2006-2007 Budget Highlights

INFRASTRUCTURE

- ❖ **Airport** - \$5 million for continued Minitake Land Acquisition.
- ❖ **Arts** - \$292,000 for the North Wing Remediation.
- ❖ **Charles H. Wright Museum of African-American History Bonds** - \$1.0 million to construct a Black Inventor's Gallery.
- ❖ **Fire** - \$1.9 million for the Training Facility.
- ❖ **Historical** - \$500,000 to upgrade the Main Museum's security and audiovisual systems and the replacement of windows.
- ❖ **Health** - \$1 million for repairs at Herman Keifer Administrative Building.
- ❖ **Zoo** - \$5 million for facility improvements.
- ❖ **Police** - \$2 million for the Forensic Laboratory and \$3 million for the Districts, Headquarters and other facilities.
- ❖ **Public Lighting** – \$12.9 million to include the implementation of a Volt Ampere Reactive (VAR) Power Capacity and Management equipment; Street Lighting Modernizations, Distribution Systems Improvement, Electric Service Extensions, Substation Transformer Replacement and Mistersky Unit No. 7 Control System and Overhaul.

- ❖ **Recreation** - \$7.5 million for Park Development Workforce, Parks and Landscapes, Belle Park Development, Recreation Facilities Improvements and \$10 million for New Recreation Facilities.

FISCAL RESPONSIBILITY ITEMS

- ❖ **Position Changes** – The 2006-07 Budget includes 657 fewer positions than the 2005-06 Budget.
- ❖ **10% Salary Reductions** – for union personnel excluding Police and Fire. Union employees will have 26 days off without pay.
- ❖ **Pension Obligated Certificates (POCS)**– Anticipated savings of \$20 million for refinancing of the POCs due to amortization change.
- ❖ **Healthcare** – Anticipated savings of \$58 million citywide through plan design and contribution changes, reduction in administrative fees and rates.
- ❖ **Internal Service Fund** – \$20 million for vehicle fleet replacements for vehicles throughout departments such as: Police, Fire, DPW, Public Lighting and Recreation.
- ❖ **Demolition Program** - \$7 million in block grant funds recommended, down from \$8 million in the 2005-06.

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- ❖ **Historical** – an operational subsidy of \$500,000 to the Historical Society for the operation of the Main Museum and the Dossin Museum. Historic Fort Wayne operations have been transferred to the General Services Department.
- ❖ **Zoo** – General Fund Subsidy of \$900,000 per the operating agreement with the Zoological Society for insurance and security costs.
- ❖ **Finance Department** – an additional six (6) positions were added to Finance Treasury – to implement the solid waste fee and to further enhance revenue collections. Income Tax Division will aggressively investigate outstanding income taxes owed to the city.
- ❖ **Environmental Inspectors** were transferred from Health and DPW to the Department of Environmental Affairs (DEA). This change will allow DEA to be more efficient in monitoring areas for violations.
- ❖ **Public Lighting** – Department structure changed to better reflect functions costs. PLD will implement the VAR program saving a net of \$8 million through reduced fuel costs.
- ❖ **Transportation Operations subsidy** – decreased from \$83.4 million to \$76.3 million, a reduction of \$7.1 million from 2005-06. The Budget includes a .50 cents fare for both seniors and disabled riders.
- ❖ **The Head Start/Early Head Start Program** – decreased by \$7.3 million. A total of \$47.4 million is anticipated.
- ❖ **Detroit Workforce Development Department** – recommendation decreases \$3.7 million over the 2005-06 Budget to \$55.3 million, based upon the state and federal government allocation.
- ❖ **The Community Development Block Grant** – recommendation of \$43.7 million, a net decrease of \$3.6 million, down from \$47.4 million in the 2005-06 Budget.

INITIATIVES

- ❖ **Solid Waste Fee** – The recommendation includes implementation of a fee for solid waste pickup. Currently, homeowners pay 3 mills to offset refuse costs. Homeowners will pay \$300 annually. The Fee will generate \$67.2 million, \$40 million more than the millage. A hardship provision and senior discount program is included.
- ❖ **Establishment of a General Services Department** – A total of 628 positions were transferred from Agencies such as: DPW, Recreation, Public Lighting, Health, Civic Center and Elections to create this department. This department includes the consolidation of fleet

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management, skilled trades with the exception of the Apprentice Program, security, building and grounds maintenance including vacant lots and inventory management. This consolidation will save \$4.5 million through coordinated purchasing and consolidated efforts.

- ❖ **Airport** – There is no General Fund Subsidy included in the Budget. The department will continue to pursue a Management Company/Fixed-Based Operator.
- ❖ **Senior Citizens Department** – Functions and the Consumer Advocacy functions moved to the Mayor's Office Neighborhood City Halls.
- ❖ **311 Call Center** moved to the Mayor's Office Neighborhood City Halls.
- ❖ **Consumer Affairs Department Functions Transferred** - Licenses and Permits to Buildings and Safety Engineering; Weights and Measures regulation to the Police Department Vehicle Management Division.

